REMARKS

Claim 1 is currently amended, incorporating claim 20. Claim 20 is now canceled. Claim 1 is supported by the specification on page 4, line 5, and page 7, lines 15-16.

Claims 1-20 stand rejected by Examiner under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter, which applicant regards as the invention.

For claim 1, what is the scope of "who does not qualify against conventional leasing standards"? This term is considered to be vague and indefinite because it is not known what "standards" are considered to be conventional and which are not. This is not a definite thing.

Claim 1, currently amended, no longer reads on "conventional leasing standards", and any ambiguities in the preamble have been corrected.

Claims 1-20 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Weatherly et al. (6049784) in view of ATS, Inc. web site.

For claims 1 and 7, Weatherly et al. disclose a lease guarantor that will provide a lease warranty to a landlord in the event that a renter has defaulted on their rent. Column 4, lines 25-33, disclose that the renter must qualify for the lease warranty by satisfying guarantor set criteria. The criteria are used to set the level of risk that the guarantor is willing to accept with a prospective renter. Weatherly et al. disclose that the renter is checked-out by doing a credit check and an employment check as claimed. Column 4, line 66 and column 5, line 9, disclose the warranty and how the payments can be structured. Weatherly et al. do not disclose that a criminal background check is performed on the prospective renter. ATS, Inc. disclose a web site/company that offers landlords, realtors, property managers, etc., with a prospective tenant screening service. ATS, Inc. will perform background checks that include an employment check and a credit check as Weatherly et al. disclose, but ATS, Inc. also disclose that a criminal background check is

also performed. It would have been obvious to one of ordinary skill in the art at the time the invention was made to perform a criminal background check on a prospective tenant to discover if they were a convicted criminal and for what they were convicted. A landlord would surely want to know if a convicted child sex offender was applying to rent an apartment in a building that also housed a lot of kids. A criminal background check would have been obvious to one of ordinary skill in the art as taught by ATS, Inc., which was representative of the state of the art prior to the invention of the instant application.

Applicant's claim 1(currently amended), claims a guarantor that not only accepts at least some portion of the financial risk of renting to certain renters, but also generates a list of potential landlords for the qualified potential renter and a guarantor's fee. The Examiner admits, when discussing claim 20, that Weatherly does not disclose that the results are used by a computer program to determine if the renter does or does not qualify, but argues it would have been obvious to use the a computer to compare the results to determine if a potential renter qualifies. The Examiner has dumbed–down the computer, stating that it is just automation, and citing the decision In re Venner, 262 F.2d 91, 95, 120 USPQ 193, 194 (CCPA 1958). Applicant asserts that the court in 1958 couldn't possibly have anticipated what today's computers can do. Computers in some instances are far superior to humans in evaluating a lot of data. FYI, in 1958 Schockly had just received the Nobel Prize for the transistor. Claim 1, in addition to claiming that the computer program qualifies the renter, also claims that the computer program outputs the guarantor's fee based on the information about the renter.

As to claim 7, which is a dependent claim depending from claim 1, claim 7 defines a level of risk as, "at least a portion of the remaining rent of the lease after default". Furthermore, claim 1, reads on "at least one month's rent", therein establishing an absolute lower value limitation. Weatherly et al. (column 4, line 66-column 5, line 9) read on why a potential tenant was declined, not a method of defining what is the level of shared risk might be. Neither Weatherly nor the ATS, Inc. web site teach an absolute lower value limitation. The rejection of claims 1 and 7 is respectfully traversed.

The Examiner goes on to reject the remaining claims, claims 2-6 and 8-19, for similar reasons, all directed at the process of qualifying a renter.

Applicant's qualification is for the purpose of establishing the level of risk, and then establishing the cost of a lease warrant, or how a default lease would be collected. The cited references do not address these dependent claims in light of parent claim 1.

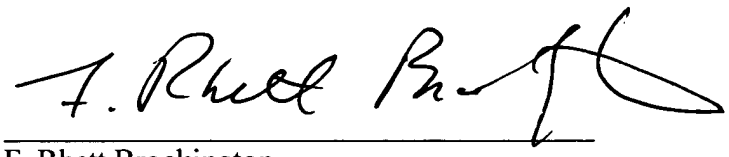
Generally, "to establish *prima facie* obviousness of the claimed invention, all the cited limitations must be taught or suggested by the prior art". *In re Royka* 490 Fed. 2nd 981 (C.C.P.A., 1974). "A statement that modifications of the prior art to meet the claimed invention would have been well within the ordinary skill of the art at the time the claimed invention was made because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish *prima facie* case of obviousness without some objective reason to combine the teachings of the references." M.P.E.P. §2143.02, *citing Ex Parte Levengood*, 28 U.S.P.Q. 2nd 1300 (Bd. Pat. App., 1993). Furthermore, the mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desired validity of the combination. M.P.E.P. §2143.01; *In re Mills*, 1916 Fed. 2nd 680, 16 U.S.P.Q. 2nd 1430 (Fed. Cir. 1990). There must be some objective support. With regards to claim 1, now amended to include claim 20, the Examiner has incorrectly applied a 48 year old court case to support his logic. Admittedly, some things never change but the Venner case is dated as it applies to computers. As this rejection is clearly improper, reconsideration thereof is hereby requested.

The rejections of claims 1-19 are respectfully traversed.

Conclusion

Applicant would like to thank Examiner for the attention and consideration accorded the present Application. Should Examiner determine that any further action is necessary to place the Application in condition for allowance, Examiner is encouraged to contact undersigned Counsel at the telephone number, facsimile number, address, or email address provided below. It is not believed that any fees for additional claims, extensions of time, or the like are required beyond those that may otherwise be indicated in the documents accompanying this paper. However, if such additional fees are required, Examiner is encouraged to notify undersigned Counsel at Examiner's earliest convenience.

Respectfully submitted,



F. Rhett Brockington
Patent Agent for Appellant
Registration No. 29,618
DOUGHERTY, CLEMENTS, HOFER & BERNARD
1901 Roxborough Road, Suite 300
Charlotte, North Carolina 28211
Telephone: 704/366-6642
Facsimile: 704/366-9744